

Approved For Release 2001/08/31 : CIA-RDP78-04718A000200030016-1

CONFIDENTIAL

MEMORANDUM FOR: Comptroller

SUBJECT : Loss of Gold - [REDACTED]

25X1A2e

- REFERENCES :
- (a) Memo to A-DD/A from Compt, dtd 12 April 54, subject as above, w/atts
 - (b) Memo to SA/SEA from OGC, dtd 20 April 54, subject as above
 - (c) Memo to CGA/DDP from A-DD/A, dtd 23 April 54, subject as above
 - (d) Memo to DD/A from C/VE, dtd 16 July 54, subject as above
 - (e) Memo to DD/A from Board of Review for Shortages and Losses, dtd 2 September 54, subject as above
 - (f) Memo to DD/A from Compt, dtd 28 September 54, subject as above

1. I am hereby approving the charge to expense of \$408.25; this amount should be credited to the account of [REDACTED] relieving him of accountability for 25 gold bars.

2. In granting this authorization, however, I must indicate for the record that:

a. I am not doing so on the recommendation of the Comptroller, inasmuch as reference (f), above, indicates no basis on which a write-off can be supported.

b. I cannot do so on the basis of the recommendation of the Board of Review for Shortages and Losses as outlined in reference (e), above. The only factors outlined by the Board which lend any weight to the request for relief are statements indicating that the practice was in effect and was followed several times before, and [REDACTED] opinion that any indication of mistrust might impair working relations between the operations officer and the crew. We cannot let the fact that an individual "is not a trained finance man" become a basis for recommending relief in a single situation such as this. Employees, whether finance trained or not, must be required to use diligence in the handling of government property, whether it be money or equipment.

25X1A9a

Document No. 32

No Change in Class. ☐

☐ Declassified

Class. Changed To: TS S (C)

Date: 30/11/78

Approved For Release 2001/08/31 : CIA-RDP78-04718A000200030016-1

CONFIDENTIAL

051

~~CONFIDENTIAL~~

- 2 -

3. I am basing my approval of this request for relief on the following factors:

a. In view of the fact that the practice was in existence and had been engaged in several times previously, we must consider that it had at least the tacit approval of the Chief of Mission (and he must share responsibility) and therefore was, in effect, an approved operating procedure of the station.

b. It has not been demonstrated that any one connected with the affair profited from this error in judgement.

c. It is possible that the gold may have been dropped with the other material during the course of the mission.

d. While some degree of carelessness may have been present, I do not feel that it has been demonstrated that this is a case of gross negligence.

4. I have forwarded a dispatch to the Station and a memorandum for [redacted] file to the Assistant Director for Personnel, outlining the fact that there was laxity and faulty handling of funds in this operation.

25X1A9a

15/
L. K. WHITE
Deputy Director
(Administration)

4 cc - Board of Review for Shortages and Losses
(DD/P-Admin, GC, Audit, Security)

✓
: Acct 3

~~CONFIDENTIAL~~